

SENATE BILL No. 16

January 15, 2019, Introduced by Senators ANANICH, WOJNO, IRWIN, HERTEL, CHANG, MCCANN, BARRETT, BULLOCK, MCMORROW, GEISS, POLEHANKI, MOSS, BAYER, BRINKS and HOLLIER and referred to the Committee on Finance.

A bill to amend 2007 PA 36, entitled
"Michigan business tax act,"
(MCL 208.1101 to 208.1601) by adding section 402.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 402. NOTWITHSTANDING ANY OTHER PROVISION UNDER THIS
2 CHAPTER, BEGINNING AFTER THE EFFECTIVE DATE OF THE AMENDATORY ACT
3 THAT ADDED THIS SECTION EACH WRITTEN AGREEMENT OR AMENDMENTS TO A
4 WRITTEN AGREEMENT REQUIRED FOR A TAX CREDIT UNDER THIS CHAPTER
5 SHALL INCLUDE BOTH OF THE FOLLOWING:

6 (A) A PENALTY PROVISION IN THE EVENT THE TAXPAYER RELOCATES
7 OUTSIDE OF THIS STATE DURING THE TERMS OF THE WRITTEN AGREEMENT OR
8 SUBSEQUENTLY FAILS TO MEET THE REQUIREMENTS OF THE AGREEMENT OR ANY
9 OTHER CONDITIONS INCLUDED IN THE AGREEMENT. THE PENALTY PROVISION
10 SHALL PROVIDE THAT THE TAXPAYER SHALL HAVE AN AMOUNT EQUAL TO THE

1 TOTAL AMOUNT OF THE CREDIT RECEIVED BY THE TAXPAYER UNDER THE
2 AGREEMENT ADDED BACK TO THE TAX LIABILITY OF THE TAXPAYER IN THE
3 TAX YEAR THAT THE TAXPAYER RELOCATES OUTSIDE OF THIS STATE OR FAILS
4 TO COMPLY WITH THE AGREEMENT.

5 (B) A PROVISION THAT THE TAXPAYER CONSENTS TO THE JURISDICTION
6 OF THE COURTS OF THIS STATE FOR THE COLLECTION AND ENFORCEMENT OF A
7 PENALTY DESCRIBED IN THIS SECTION.